The A. F. of L. Weekly News Service gives news contents and editorial interpretations of current affairs affecting labor according to the industrial, legislative, and political fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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WE PLEDGE—
1 MILLION DOLLARS
IN
WAR BONDS
FOR VICTORY

WHOLE NO. 1728 WILLIAM GREEN, President WASHINGTON, D. C., TUESDAY, MAY 23, 1944 GEORGE MEANY, Secretary-Treasurer VOL. 34, NO. 21

FACING *the* FACTS

With PHILIP PEARL

The real issue in Montgomery Ward's controversy with the Government has been so befuddled by special pleaders in the reactionary press that the public has been led to believe that personal and political freedoms are at stake.

Not all all! The only issue in the case is whether this employer—and others similarly anti-union minded—shall be permitted to break the solemn agreement entered into by labor, management and the Government shortly after the outbreak of the war.

That agreement provided, simply, that because of the national emergency interruptions of production due to strikes or lockouts be banished for the duration; that all disputes be settled by peaceful means, and that a special National War Labor Board be set up as the agency to make such peaceful settlements.

Operating under that agreement, American labor and management have amazed the world by their outstanding production achievements. Without that agreement, the whole production program would be threatened by collapse.

Note that the agreement specifically includes "all" disputes. That gives the War Labor Board unlimited jurisdiction over controversies between management and labor regardless of the nature of the issues.

The Compromise Plan

In the discharge of its duties, the War Labor Board soon encountered the problem of union security. In normal times a union could enforce its demands for a union shop by striking. Under the no-strike pledge, the union had no other recourse than to go to the War Labor Board when an employer refused to comply with such demands.

Facing this problem realistically, the War Labor Board worked out a compromise plan which it called "maintenance of union membership." This was a fair cry from a union shop. It did not satisfy many unions. They accepted it as a war-time compromise.

On the other hand, many employers who insisted on adhering to open-shop practices were not satisfied with the compromise either. Bit most of them accepted it because they recognized their duty to their country would not permit production to be tied up by prolongation of disastrous controversies with labor on this issue in time of war.

The outstanding exception has been the Montgomery Ward Company. Its chief, Sewell Avery, reacted back on his hind legs and declared, by gum, that war or no war he would never consent to sign a maintenance of union membership contract with a labor organization. This was more than a year ago when the American people were not so confident of military victory and Mr. Avery's antics received little support. So he backed down and signed the contract "under protest."

This contract, with a CIO union, ran for a year and came up for renewal. Mr. Avery stalled. The matter came up before the War Labor Board again. Mr. Avery argued that the union no longer represented a majority of his employes. The Board ordered him to extend the old contract until an election could be held to determine whether the union still was the legal and proper collective bargaining agency for the company's employes.

Stripped of Camouflage

Surely nothing could be fairer than that. But Mr. Avery continued to protest and he refused to comply. As a result, the WLB turned to the President for remedial action and he responded by ordering the Army to seize the mail-order house.

This was the signal for a hue and cry in the press and in Congress which developed astonishing proportions. Political opponents of the Administration and opponents of organized labor rushed to the vociferous defense of Mr. Avery. Careful analysis shows that the only basis for these protests was the hypocritical legal pretext that the company was not engaged in direct war production and, therefore, was outside the WLB's jurisdiction.

This issue was taken to court, but before the case could be decided the National Labor Relations Board held an election and the union won a substantial majority. The Government, assuming that the company had no further excuse for failing to sign a maintenance of membership contract with the union, promptly withdrew from the property and turned it back to private management.

But Mr. Avery still refused to sign the required contract. And if further confirmation of the utter hypocrisy of his position were needed, it was more than afforded by the case of a subsidiary of Montgomery Ward, the Hummer Manufacturing Company of Springfield, Ill., which makes parts for military aircraft. Mr. Avery refused to sign a maintenance of membership contract with the AFL union representing the workers in this plant and production was halted. The WLB again turned to the President and he again was forced to order the Army to take over a Montgomery Ward plant.

These circumstances, taken together, thoroughly dispose of Mr. Avery's pretensions. His righteous postures are now exposed as a fraud. He stands for what he is—a bitter, union-hating boss.

But, to get back to the main issue, Mr. Avery's personal fate or of any personal judgment of him is not the important thing. What matters—and matters supremely—is that the authority of the War Labor Board must be upheld so that the production program can go ahead full blast without interruption till victory is won.

Set Sights For 50 Million New Jobs, Beck Urges Post-War Industrialists

New York City.—Spokesmen for labor and industry agreed at a forum here that America must set its sights for a post-war level of employment of 50,000,000 to 55,000,000 persons to maintain peacetime production and consumption on the scale developed in the war effort.

The speakers were Dave Beck of Seattle, international vice president of the International Brotherhood of Teamsters, and Ralph E. Flanders, president of the Jones & Lamson Machine Company. They addressed the general session of the twenty-first annual meeting of the National Industrial Conference Board at the Waldorf-Astoria Hotel.

Mr. Beck said the war had shown conclusively that national resources are sufficient to maintain a gross national income of $165,000,000, a sum which economists say will provide 55,000,000 jobs at forty hours a week.

"It is now certain," he declared "that only greater unity of purpose will provide better homes, better food, more adequate, clothing and medical care, finer communities and richer additional and cultural opportunities for all.

"Certainly there is not lack of demand for such improvements and certainly it would take the employment of every able-bodied individual to fulfill all such demands."

Mr. Beck made specific proposals for maintaining full employment both in the immediate post-war period and for the long term.

For the immediate post-war era, he suggested that a single Federal reconversion agency, with authority and jurisdiction corresponding to that of the War Production Board, be created to make the best use of the manpower and resources of all war agencies in assisting private enterprise to resume its responsibilities for production.

He proposed demobilization allowances for soldiers who would be employed in production work, educational opportunities for returning service men who will be unemployed and a program of building public works where unemployment conditions occur.

He said private enterprise may find it profitable to convert many of our activities to peacetime production, mentioning as a case in point the shipbuilding and airplane factories in the Far West. He urged government assistance in such cases, lest the areas, which have large war-created populations, become distress areas.

Treasury Counts Upon Labor To Put Fifth War Loan Drive "Over The Top"

Washington, D. C.—Organized labor again will be called upon to play an important part in the Fifth War Loan which will start on June 12, and run to July 8. Secretary of the Treasury Henry. Morgenthau Jr., announced that the goal will be $16,000,000,000, of which $6,000,000,000 is to come from sales of War Bonds to individuals.

"In the Fourth War Loan," Secretary Morgenthau said, "individuals invested $6,500,000,000. We are planning to get $6,000,000,000 in individual sales in the Fifth War Loan\we are asking the American people for more than ever before. Fifth War Loan goals were set high because they must be high. We must maintain a great deal of money in the year to keep the war going. We will need more than twice as much as we can expect to get in taxes."

Ever since the first "Defense Savings Bonds" were offered by the Treasury in the spring of 1941, the leadership or organized labor has recognized in this program an unusual and acceptable way to help win the war, to fight inflation and, at the same time, to protect the future welfare of the workers themselves, according to James L. Houghteling, director of Labor Relations for the War Finance Division. It is for this reason why members of organized labor have been buying hundreds of millions of dollars' worth of Series E War Bonds every month, he said.

"Our experience in the Payroll Savings Plan and in the sale of extra War Bonds during drives has proved that the best salesmen to reach and persuade any given group of workers are their own leaders—union officials, shop stewards, and the like," Houghteling said.

"The country owes a great debt of gratitude to its thousands of volunteer War Bond workers among organized labor."

85 Percent of War Goods Union-Made Keenan Tells Label Trades Convention

Rochester, N. Y.—The union label could be put on 85 percent of all the weapons now in the hands of "GI Joe," WPB Vice Chairman Joseph D. Keenan said in an address to the Seventh Semi-Annual Convention here of the Union Label Trades Department of the state of New York.

"Eight-five percent of the engines of transportation that have been produced in this country for the global fighting fronts have come from the plants having union contracts," he told the meeting.

"It is a production record that is thrilling to all Americans and those who harbor the feeling that organized labor has not kept its no-strike pledge to the nation, regardless of the very drastic economic upheaval is now 99.44 percent pure," Keenan added.

Labor's record, Keenan said, is being challenged by schedules calling for the production rate for fighting planes to be raised 10 percent by the end of this year. Meeting these schedules will call for the resourcefulness of both labor and management.

"The cooperation of labor and management has been a source of inspiration in the war effort," Keenan said. "Their resourcefulness has made tremendous dividends in war production figures. The implements of cooperation and collaboration forged in the fires of war should be the instruments put to hand for the building of a better world upon the defeat of Germany and Japan."

The nation must face sharply the plans for the welfare of all Americans after the crushing blow has been delivered on the battlefields, he said.

"We must not in the years to come repeat the failures we have known in the years between the wars," he said. "We must be wiser now than we were then. We must see that a free nation requires foresight and understanding of world forces, of world economy, of the fact that no man and no nation can stand by in the twentieth century to ignore the welfare of other men and other nations.

"To avert the end of hostilities before planning for a return to a peace economy is certain to bring chaos and disunity. The glory of victory must not be shrouded in a fog of uncertainty. We will fail, indeed, if we win a victory, only to let our people, through ignorance or action, sink into weakness and despair."

Finding of maximum levels of production and employment is one of the first and major steps, Keenan advised.

"It is the feeling of many within government and without industry," he said, "that only by raising the standards of living can maximum levels of production and employment be maintained."

West Coast White Collar Workers Given Pay Raises By Regional WLB

San Francisco.—To alleviate the plight of the "white collar" worker, the Tenth Regional War Labor Board overhauled its clerical wage and salary brackets and opened the way for an estimated 100,000 employees in the San Francisco area to obtain wage increases ranging up to $15 a month.

The action formulated a new salary level for "white-collar" workers of the Los Angeles area as well as for those of Nevada and Arizona, upon whom the board has jurisdiction.

Lloyd Fisher, director of the board's wage stabilization division, said the decision just announced would increase California's "wage bill" about $8,000,000 a year, or about 1.2 percent of the State's annual total.

His estimates indicated that 387,000 of California's 700,000 clerical workers were in occupations affected by the new San Francisco area rates, but said that only about half of these would be in a position to benefit. The average monthly increase for all classifications would run around $5.50 on the basis of the 40-hour week.

Thomas F. Neblett, regional board chairman, warned that the new schedules could be put into effect except upon approval, obtained in advance through the WLB procedure.

The "white-collar" worker situation has been the subject of spirited protests in this region, as it has elsewhere, but this board's action was believed by officials to set a precedent—especially in the matter of giving employers more leeway in minimum hiring wages.

At recent hearings spokesmen for employer groups condemned a system that required them to hire new workers at the minimum wage for their type of work, regardless of experience, Mr. Neblett said the board now had decided to permit employers to hire experienced persons "at the level of their experience," thus "putting a value on experience."

"Under the board's new schedule for employers using a single-rate pay system, $100 a month is probable for the lowest-paid job classification of 'office boy,' the board's announcement stated. The approximate single rate for senior accountants, highest 'white-collar' classification subject to jurisdiction of the board, is $250 a month.

Public members favored upward revision of the rate schedule, but opposed the $15 amount for an across-the-board rise in approvable single rates, so that the change was recorded by a six-to-three majority decision in industry and labor members.

CHICAGO LABOR LEADERS TO LIVE LIKE TROOPS

Chicago.—A first-hand knowledge of military training will be received by approximately 100 leaders of the American Federation of Labor in this area who will live like soldiers for two days at Fort Custer, Mich., it was announced by Maj. Gen. H. S. Aurand, commanding general of the Ground Service Command.

At the request of the Chicago Federation of Labor, the trip was arranged by the Industrial Services Officer of the Labor Branch of the Ground Service Command in cooperation with officers at Fort Custer, a military police training center.

NAVY SHIP LAUNCHED BY THREE WIDOWS

Sturgeon Bay, Wis.—Three widows of Wisconsin members of Industrial Labor officials participated in the launching here of a new Navy submarine built at Sturgeon Bay shipyard. They were Mrs. Henry Obl, widow of a former vice president; Mrs. Fred Trudeau, Mrs. Jack Handley and Mrs. Herman Seide.

Mayor H. W. Reynolds, in recognition of labor's achievements in shipbuilding, proclaimed the day "Labor Victory Day" and outstanding Government and labor officials took part in the ceremonies. Among the speakers were George Haberman, President of the State Federation, and William Nagorsen, Secretary-Treasurer.

Compulsory Service Bills Doomed; Congress Now Seeks Turnover Cure

Washington, D. C.—Congressional leaders have come to the conclusion that all pending proposals for compulsory service legislation are "dead ducks" for this session, at least, and are now seeking to draft legislation aimed only to control "turnover" in war plants.

This was indicated after hearings opened on a new bill, known as "work or fight" bill, which would make workers liable for penalty service in "work battalions" for failure to transfer to jobs in war industries.

This latest dodge of the "national service" advocates received such a cold reception from the first group of witnesses that it is likely the Senate Military Affairs Committee that is probably will be pigeon-holed in a hurry.

The bill was roundly denounced by Lewis G. Hines, a legislative representative for the American Federation of Labor, who told the committee that such legislation was bound to do more harm than good.

Expressing the policy laid down by the AFL Executive Council, Mr. Hines insisted that "free and voluntary service is far superior to coercion." He charged it was dangerous to say that the bill ought to be passed to show the men in the armed forces that labor is making sacrifices.

"Our boys don't need that kind of assurance," said Mr. Hines. "What they need is more shells. When they get the truth about war production, they will know beyond question that we are backing them up."

AFL WINS ELECTION OF REFINERY WORKERS

Shreveport, La.—In an election conducted by the NLRB, employes of the Atlas Oil Refining Corp. here voted for AFL Federal Labor Union No. 23,001, by 121 to 25. As soon as the union is certified as the collective bargaining agency, it will start negotiations with the company for a contract.

News Briefs

ITU VOTE CLINCHES RETURN TO FEDERATION

Newark, N. J.—By a substantial majority, members of the International Typographical Union have voted in a national referendum to reaffiliate with the American Federation of Labor.

This was announced here by Lewis N. Hermann, referendum chairman, after the last complete returns which gave 17,639 votes for reaffiliation to 13,524 opposed. He predicted the winning margin would be larger when the voting is completed.

Mr. Hermann said the chapels which have not yet reported have favored union in previous polls. All political factions in the union favored the return of the printers to the Federation. It is expected that the AFL charter of the I.T.U. will be restored soon after the referendum is completed on petition of the union's officers.

LANDING CRAFT OUTPUT NOW AHEAD OF SCHEDULE

Washington, D. C.—The steadily increasing movement of landing craft along Atlantic coastwise and Gulf embarkation points indicates the degree to which labor has come forward to speed up production, the War Manpower Commission announced.

A month ago landing craft production was still behind schedule. But the production report for April showed a 55 per cent increase over March production, bringing the whole program 2 per cent ahead of schedule. Deliveries of tank landing ships were ahead of schedule for the first time. Of the 15 types of landing craft being built, production was equal to or ahead of schedule in all but two and they were only slightly behind.

Employment reports to the War Manpower Commission show an increase of 106,500 workers in 34 firms engaged largely or exclusively in landing craft production. The report estimates that only 14,000 workers will be needed in the next six months although the greater part of them will be needed by July 1.

DONALD NELSON URGES VACATIONS FOR WORKERS

Washington, D. C.— Donald M. Nelson, chairman of the War Production Board, urged that labor and management make plans immediately to give needed vacations this summer to war workers in a manner which would not curtail production.

Such workers, in their fourth year of the war, he declared, also are entitled to a period of relaxation and recreation, he said, because "there is a great danger of chronic fatigue and consequent loss of production, increased illness and injuries and decreased quantity and quality of goods produced."

Plants must not be shut down for vacation purposes unless that is necessary for overhauling and repairs, Mr. Nelson said, adding that it also is important that employes not be permitted to waive vacations in order to receive vacation pay as additional income, since that would defeat the basic purpose of the vacations.

WSB GRANTS VACATIONS TO GARMENT WORKERS

Washington, D. C.—The War Labor Board gave unanimous approval to a joint application from the Union Made Garment Manufacturers Association and the United Garment Workers of America, AFL, for approval of a vacation plan for one week with pay after one year of service.

The plan, covering approximately 6,000 employes in the association's 25 companies in 16 states, is the first vacation agreement entered into between an employer group and workers, although some of the firms have held individual agreements as to vacations. The companies are principally engaged in making work clothing.

The week's pay is to be calculated for 40 hours at the regular hourly rate or at the average hourly earnings for the 13 weeks of piecework rates for regulation time worked, not including overtime, during a 12-week period preceding the vacation period of each year.

FEWER WORKERS MAKING MORE WAR MATERIAL

New York City.—A survey by the "Wall Street Journal" among the nation's leading industrialists shows that manpower shortages are being licked by amazing increases in the productivity of their workers.

"Almost everywhere the answer was the same," the conservative financial paper reported. "Production per employee is on the rise. In many cases output is running ahead of a year ago even where the number of workers is less."

Nation's War Labor Policy At Stake As U. S. Seizes Second Ward Plant

Government Forced To Take Over War Factory After Company Refuses To Obey Union Contract

Washington, D. C.—The nation's wartime labor policy is at stake in its controversy with the Montgomery Ward Company, War Labor Board Chairman William H. Davis declared at a Congressional hearing after the U. S. Army, acting on President Roosevelt's orders, had seized control of a war plant subsidiary of the company at Springfield, Ill., manned by AFL workers.

In that case, just as in the seizure of Montgomery Ward's Chicago properties, the issue involved is the company's flat refusal to accord the union maintenance of membership, the War Labor Board said.

However, there is this major difference—the Springfield plant, operating under the name of the Hummer Manufacturing Company, is concededly engaged in war production since it makes carburetors, propellers and gun mounts for military aircraft. The union which represents the workers is the International Association of Machinists.

Underlying about the previous Chicago seizure, where a CIO union was involved, Davis told a House Investigating Committee that the War Labor Board had gone out of its way to be fair to the company and that his "face was red" when the board had not moved faster against the mail order house.

The Hummer case also was marked by long delays and work stoppages resulting from the company's refusal to comply with a War Labor Board directive of April 14.

Within a few hours after the War Department took over the plant, normal production was resumed with the union's cooperation.

The President, in a statement which left no doubt as to his views on the essentiality of the plant to the war effort, said that an inquiry showed that defiance by Montgomery Ward of a WLB directive of April 14 was resulting in "existing and threatened interruptions" of plant operations. Continuation of these interruptions, he asserted, would impede and delay the war effort.

He concluded that Government seizure "is necessary to insure, in the interests of the war effort, the operation of these plants and facilities."

The Army is to leave the premises, the President said in his order to Secretary Stimson, within 60 days after he determines that the "productive efficiency of the plant, facility or part thereof has been restored to the existing and threatened interruptions of production, referred to in the recitals of this order, has been restored."

The conditions of employment which the Army will observe during its management are those in effect at the time of the seizure, and they will continue as stated by the directive order issued by the WLB on April 14, Mr. Roosevelt said.

The dispute arose from a maintenance of membership clause in the contract, dated Aug. 31, 1942, which the company has denied. Aside from defying the WLB, the company filed a suit against the board and the Director of Economic Stabilization, Fred M. Vinson.

If the company or any other, the Government holds, is permitted to get away with such recalcitrance the whole structure of wartime labor policy built up by the WLB will crash and labor's no-strike policy will be jeopardized.

Organized labor insists upon a firm stand by the Government on this issue in order to maintain the prestige and authority of the War Labor Board and in order to deter other employers from trying to take advantage of the war emergency to destroy union organizations in their plants.

Shipyard Workers, Merchant Marine Accorded Tributes On Maritime Day

Washington, D. C.—High tribute was paid to American shipyard and maritime workers on Maritime Day by the nation's military leaders.

Gen. George C. Marshall, Army Chief of Staff, said:

"The men and women who build the ships, the men who sail them, are making it possible to transport fighting men and supplies wherever they are needed to defeat the enemy. The Army is deeply indebted to these men and women for their unceasing effort to do everything in their power to hasten the day of victory."

The message of Admiral Ernest J. King, Commander in Chief of the Fleet and Chief of Naval Operations, said:

"Because the Navy shares life and death, attack and victory, with the men of the United States merchant marine, we are fully aware of their contribution to the victory which must come."

Gen. Dwight D. Eisenhower, Supreme Commander of British and American forces in the United Kingdom, cabled as follows:

"When the final victory is sure there is no doubt that will share its credit more deservedly than the merchant marine."

Donald M. Nelson, War Production Board chairman, said:

"We who are producing the materials salute the men and women who are building the ships and the men who sail them. All of us should take this occasion to honor those 5,000 merchant officers and seamen who have lost their lives in this great task."

AFL Fights New NLRB Proposal To Let Employers Call Elections

Washington, D. C.—The American Federation of Labor entered emphatic opposition to a proposal by the National Labor Relations Board that employers be given a free hand to force unions into new elections almost any time a dispute arises.

The board is considering a new rule to that effect and called a hearing to get the views of industry and labor. Under the proposed regulation, an employer could demand an election whenever a union asked for a renewal of another Federal agency.

Whether the Conciliation Service, or National War Labor Board or other agency took jurisdiction, the union's majority status must first be settled at the ballot box.

At present, the right to petition for an election is confined to workers, except in cases where the employer has a bona fide reason for questioning the union's majority status and is not merely dragging his feet or demanding recognition of an employer. In the latter case, the management can ask for a vote.

"The American Federation of Labor is absolutely opposed to the proposed rule and is filing its objections," declared Joseph A. Padway, general counsel for the Federation. "The revision would amount to a wide open invitation to employers to duplicate the tactics of Sewell Avery in the Montgomery Ward case.

"No union, once it has won an election, could be sure that its right to bargain for the workers would remain long unchallenged. As a result, instead of stable labor relations, there would be constant turmoil. The attention of workers would be diverted from war production to election contests.

"Employers would be encouraged to try to break established unions, and the war effort would be disrupted rather than unified. The board should hitch before precipitately adopting such a dangerous rule."

Admiral Cheers Navy War Output

Washington, D. C.—The production effort of American war workers is "nothing like merely miraculous," Rear Adm. Frederick J. Tolo and Company," according to Read Admiral Dewitt C. Ramsey, Chief of the Navy's Bureau of Aeronautics.

The Admiral said that from July 1, 1940, through the end of last year, 762 fighting ships aggregating 2,350,000 tons and 28,500 subsidiary vessels aggregating 4,000,000 tons were constructed. The subsidiary craft included about 54,000 landing craft.

He termed the rate of expansion of the Naval air arm "even more spectacular" than that of the fleet. The output of Naval aircraft in December 1941 alone of 2,800 planes was more than 5,000 planes, practically all combatant types, were produced by aircraft workers in December 1942.

"The production of Naval Ordnance similarly has been on a fantastic scale," the Admiral said. Between December 1941 and December 1943 the output of torpedoes increased 900 percent while the production of fire-control directors jumped 3,000 percent in the same period.

Admiral Ramsey termed the production of anti-aircraft weapons and control mechanisms "outstanding in the ordnance field." These control mechanisms permit American ships to pour a concentrated fire upon the enemy's air formations at high altitudes and in the case of strafing fighters, dive bombers, and torpedo planes, to follow them all the way down or in and maintain a withering fire upon them with the guns of various calibers for the range of fire.